**DEPARTMENT OF HEALTH AND HUMAN SERVICES
HEALTH RESOURCES AND SERVICES ADMINISTRATION**

**SUPPLEMENTAL INSTRUCTIONS TO
THE PUBLIC HEALTH SERVICE GRANT APPLICATION -
Form PHS-5161-1 (Revised 6/99)**

**RURAL TELEMEDICINE GRANT PROGRAM
Catalog of Federal Domestic Assistance Number 93.211**

## GENERAL INFORMATION

This document is to be used in conjunction with the *PHS Grant Application-Form PHS-5161-1* (*Revised 6/99*). The "General Information and Instructions" contained on the first four pages of the *PHS Grant Application-Form PHS-5161-1*, pertain to all Federal programs using the Form. These *Supplemental Instructions* amend the "General Information and Instructions" section of the *PHS Grant Application-Form PHS-5161-1* and are designed to clarify the specific information required for the Rural Telemedicine Grant Program.

**Applicants should be thoroughly familiar with these *Supplemental Instructions,* the *Program Guide* for the Rural Telemedicine Grant Program, and the *PHS Grant Application–Form PHS-5161-1,* prior to preparing the application.**

## WHEN AND WHERE TO SUBMIT THE APPLICATION

### Applications are due March 15, 2000

**Submit the signed original and two copies of the application to the following address. Submitting an additional two copies (i.e., a total of five copies) will facilitate review but is not required.**

> **HRSA GRANTS APPLICATION CENTER
> 1815 North Fort Myer Drive, Suite 300
> Arlington, VA 22209
> 1 (877) 477-2123 (toll-free)
> INTERNET: <HRSAGAC@hrsa.gov> or <csr@lcgnet.com>**

## WHO TO CALL FOR INFORMATION

**Technical or programmatic information:**       **Business or financial information:**

Cathy Wasem or Amy Barkin                Martha Teague
Office for the Advancement of Telehealth        Grants Management Office
5600 Fishers Lane, Room 11A-55           Bureau of Primary Health Care
Rockville, MD  20857                West Tower, 11th Floor
Phone: 301-443-0447                4350 East West Highway
FAX:   301-443-1330                Bethesda, MD  20814
Internet:      cwasem@hrsa.gov              Phone:  301-594-4258
               abarkin@hrsa.gov              Fax:      301-594-4073
                          Internet:      mteague@hrsa.gov

## SUPPLEMENTAL INSTRUCTIONS

**Page 1 of** *PHS Grant Application-Form PHS-5161-1***, "General Information and Instructions for Grant Application", Section: TYPES OF APPLICATIONS**

This application kit and supplement to instructions are to be used for **new** applications only.

**Page 2 of** *PHS Grant Application-Form PHS-5161-1***, "General Information and Instructions for Grant Application", Section:  PROJECT DEVELOPMENT** - **Add:**

Executive Order 12372

The Rural Telemedicine Grant Program has been determined to be a program that is subject to the provisions of Executive Order 12372 concerning intergovernmental review of Federal programs by appropriate health planning agencies as implemented by 45 CFR part 100.  Therefore, applicants must seek comments from state Single Points of Contact (SPOC), unless the applicant is a federally-recognized Indian tribal government, or the state does not participate in the process.  The applicant must contact its SPOC as early as possible to alert the SPOC to the prospective application and receive any necessary instructions on the State process.  A list of SPOCs and non-participating States is included in this application kit.  The list of SPOCs is also available on the Web at: http://www.dhhs.gov/progorg/grantsnet/laws-reg/spoq0695.htm   Applicants in participating States must submit a copy of their application to the SPOC no later than the Federal application receipt due date.

Public Health System Impact Statement

The Rural Telemedicine Grant Program is subject to the Public Health System Reporting Requirements.  Under these requirements, the community-based non-government applicant must prepare and submit a Public Health System Impact Statement (PHSIS).  The PHSIS is intended to provide timely information to State and local health officials to keep them apprised of proposed health services grant applications submitted by community-based, non-government organizations within their jurisdictions.

Community-based non-government applicants are required to submit the following information to the head of the appropriate State and local health agencies in the area(s) to be impacted, no later than the Federal application receipt due date:

  a.  A copy of the face page of the application (SF 424)
  b.  A summary of the project not to exceed one page, which provides:
    (1)  A description of the population to be served.

> (2) A summary of the services to be provided.
> (3) A description of the coordination planned with the appropriate State or local health agencies.

State Offices of Rural Health

There is a State Office of Rural Health (SORH) in every State.  Early in the process of developing a proposal, an applicant is required to notify its SORH (or other appropriate state entity) of its intent to apply for this grant program and to consult with such agency regarding the content of the application, including how proposed telemedicine activities relate to any rural health planning activities under the Rural Hospital Flexibility Program.  The SORH may be able to provide information and technical assistance. A list of State Offices of Rural Health is included in this application kit.  The list is also available on the Web at:  http://www.nal.usda.gov/orhp/50sorh.htm

**Pages 2-3 of *PHS Grant Application-Form PHS-5161-1*, "General Information and Instructions for Grant Application", Section:  COMPLETING THE APPLICATION (Including Required Format Instructions) - Add:**

All applications must be typewritten or printed on **8 1/2 x 11 inch paper, on one side only**.  Applications must be legible with no less than a one inch margin on the top and left side, and no less than 1/2 inch margins on the right side and bottom.  The type on each page must be no smaller than 12 characters per inch (cpi) or a 12 point scalable font, except for the narrative budget pages which can be a 12 cpi or 10 point scalable font.  The print may be single-spaced. Do not include photographs, maps, or charts that require color reproduction in order to interpret the data.  Do not submit computer discs or videotapes.

**Page Limitations:**
1) The "narrative budget justification" section consists of three components – a 'Detailed Budget Form'; a 'Federal/non-Federal Summary of Expenditures Form'; and an 'Explanatory Narrative Budget Justification".  There are no page limits to the forms, but **the '*Explanatory Narrative Budget Justification'* component may <u>not</u> exceed 8 pages.**
2) **The *'Project Narrative'* section may <u>not</u> exceed 30 pages.**

**Applications that exceed these limits will <u>not</u> be accepted for processing and will be returned to the applicant. They will <u>not</u> be reviewed.**

Biographical sketches for individuals should not exceed two pages per individual.

The applicant is advised not to use the appendices to circumvent the page limitations and is urged to limit the volume of appendices.  The applicant should put any critical information in the project narrative or narrative budget justification rather than in appendices.  The appendices will not be duplicated with the application and will only be sent to members of the review panel who serve as the primary reviewers of the application.

Pages should be numbered consecutively from the Face Page (Standard Form 424), to the Checklist (last page of application).

Forms that must be included in your application are contained in the *PHS Grant Application –Form PHS-5161-1 (Revised 6/99)*.  These forms may be delivered to you as double-sided documents.  **You must reproduce these forms as single-sided documents before you obtain signatures on**

**them; you must submit them as single-sided documents; and you must submit all pages of each form.** The required forms are as follows: (please note that the name of the form is noted in the bottom right corner of the page)

> Face page: Standard Form 424
> Budget Pages: Budget Information - Non-Construction Programs, Standard Form 424A
> Assurances - Non-Construction Programs, Standard Form 424B
> Certifications (pages 17-19)
> Disclosure of Lobbying Activities (required only to report lobbying activities), Standard Form–LLL and Standard Form–LLL-A
> Checklist (pages 25-26)

To facilitate review, applicants should include a **Table of Contents** which reflects the major components of the application.  Page 2 of the application should be the **Table of Contents.**

Applicants are also required to include, as Page 3 of the application, a **Project Abstract**.  This description of the project should be single-spaced and **should not exceed one page**.

**Page 3 of *PHS Grant Application-Form PHS-5161-1*, "General Information and Instructions for Grant Application", Section:  ASSEMBLING AND MAILING, Substitute the following:**

A completed application will have the following components in the following order:

> 1. Face page, Standard Form 424 (SF 424), Revised 4/88
> 2. Table of Contents
> 3. Project Abstract
> 4. Telemedicine Network Identification Template
> 5. List and Description of Other Federal Funding Sources-Current and Pending
> 6. Budget Information -- Non-Construction Programs (SF 424A)
> 7. Narrative Budget Justification
>    a) Detailed Budget Form
>    b) Federal/non-Federal Summary of Expenditures Form
>    c) Explanatory Narrative Budget Justification    ◄ **May not exceed 8 pages**
> 8. Project Narrative   ◄─────────────────────────  **May not exceed 30 pages**
> 9. Geographic Location (Maps)
> 10. Biographical Sketches
> 11. Position Descriptions
> 12. Appendices / Supporting documents
> 13. Proof of Non-profit/Public Status
> 14. Assurances - Non-construction Programs, (SF 424B, Form PHS-5161-1)
> 15. Certifications (Form PHS-5161-1 pages 17-19)
> 16. Disclosure of Lobbying Activities (Form PHS-5161-1)
> 17. Checklist (Form PHS-5161-1, pages 25-26)

A completed application should be signed in ink and duplicated according to instructions.  The original copy should be identified by an **"ORIGINAL" stamp or other means of notation, after duplication.**

**Do not staple or bind the application!**  Use clips or rubber bands to secure the application.  Mail

or deliver the complete and signed typewritten original and two copies of the application to:

> HRSA GRANTS APPLICATION CENTER
> 1815 North Fort Myer Drive, Suite 300
> Arlington, VA  22209

Submitting an additional two copies (for a total of five copies) will facilitate review, but is not required.

**LATE APPLICATIONS**:  Applications are due March 15, 2000.  Applications are considered as meeting the deadline if they are either (1) received on or before the deadline date; or (2) postmarked on or before the deadline date and received in time for orderly processing.  Applicants must obtain a legible dated receipt from a commercial carrier or the U.S. Postal Service in lieu of a postmark.  Private metered postmarks will not be acceptable as proof of timely mailing.  Late applications will be returned to the sender without being reviewed.

**LETTER OF INTENT**:  In order to allow the Office for the Advancement of Telehealth (OAT) to plan for the objective review process, applicants are encouraged to notify OAT in writing of their intent to apply.  A form to use in notifying the Office has been included in the application kit.  This notification serves to inform OAT of anticipated numbers of applications which may be submitted.  The address is:  Office for the Advancement of Telehealth, HRSA; 5600 Fishers Lane, Rm. 11A-55; Rockville, MD  20857.  If notification is offered, please respond by February 16, 2000.

OAT encourages applicants to submit a copy of the letter of intent to the State Office of Rural Health in each state affected by the proposed project.

### INSTRUCTIONS FOR COMPLETING THE Standard Form-424 (Face Page), Application for Federal Assistance

Fully complete the Standard Form (SF)-424 by following the "Instructions for the SF-424" and the additional information provided here.

Box 5 -- **APPLICANT INFORMATION**:  This address will be used for all correspondence and must be the office where the program will be managed.  This address may not be a post office box unless accompanied by an address that could be used for delivery service drop-off.  The address must include the city, county and state of the applicant organization.  Please include the organizational unit.  Also include the name, telephone number, fax number and e-mail address of the person responsible for the day-to-day management of the grant project.  The person named in the block must be responsible and accountable to the applicant organization.

Box 6 -- **EMPLOYER IDENTIFICATION NUMBER (EIN)**:  Enter the 9-digit EIN as assigned by the Internal Revenue Service.

Box 7 -- **TYPE OF APPLICANT**:  Insert the appropriate letter in the box provided.  (Non-profit applicant organizations should be identified as such under N - "Other".)

Box 9 -- **NAME OF FEDERAL AGENCY**:  Enter "Health Resources and Services Administration, Office for the Advancement of Telehealth"

Box 10 -- **CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER**:  Insert 93.211 in the boxes provided, and enter "Rural Telemedicine Grant Program" as the title.

Box 13 -- **PROPOSED PROJECT**:  This box indicates the total number of years (not to exceed three) for which funding is requested.  Enter September 1, 2000 as the Start Date.  Enter August 31, 2002 as the Ending Date.

Box 14 -- **CONGRESSIONAL DISTRICTS OF**:
  **a. Applicant:**  Insert the applicant organization's Congressional District
  **b. Project:**  Insert any Congressional District(s) affected by the project.

Box 15 -- **ESTIMATED FUNDING:**

a. **Federal:**  Insert the total amount of funding being requested under this announcement for the **first 12-month period** of support.  This figure should be the same as the amount indicated in column 1, line 6.k, on Form 424A (**Budget Information--Non-construction Programs**).

b-e. **Applicant, State, Local, Other:**  Insert the amount to be contributed and/or the value of in-kind contributions for the **first 12-month period** by each contributor (i.e., Applicant, State, local, other) as appropriate.  These figures should be the same as those indicated on Form 424A, Page 2, Section C, Line 12, Columns b, c, and d.

f. **Program Income:**  Insert the amount of Program Income anticipated to be earned by the applicant and its network members during the first 12-month period of support, if any.  Program income is income that is generated from use of the equipment and operations associated with this grant (e.g., income earned by using the system for educational purposes or by renting the system to community members, etc.).  This figure should be the same amount as that indicated on Form 424A, Section B, Page 1, Line 7, Column 1.

g. **TOTAL:**  Insert the total of lines 15a through 15f.

Box 16 -- **IS THE APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?**  Since this program is subject to the provisions of E.O. 12372, applicant must indicate the date the application was sent to the Single Point of Contact, if the state participates in the process.

> **Note:  The applicant must make the application available for state review, and must advise the state to submit comments within 60 days of the application receipt date to the Grants Management Officer, at the address on page 2 of this Supplement to Instructions.**

Box 18 -- **AUTHORIZATION:**  The application is to be signed by the authorized representative of the applicant organization.  A copy of the governing body's authorization for this individual to sign this application must be on file in the applicant's office.

> **a, b, and c:**  Enter the name, title, area code and telephone number of the authorized representative of the applicant organization in the spaces provided.

> > **Note:  The authorized representative is the individual with the legal authority to obligate the applicant organization financially and otherwise.  It is not**

**necessarily the project director/coordinator. Therefore, the name in Block 18 may be different from the name in Block 5. The authorized representative's name must appear on all documents relating to the applicant's application (pre- and post-award) until the applicant organization makes a change.**

## TABLE OF CONTENTS

To facilitate review, applications should include a table of contents that reflects the major component of the application. A sample table of contents can be found at the back of these instructions. The t**able of contents** should be page 2 of the application.

## PROJECT ABSTRACT

The applicant should include a description of the proposed project, following the format provided at the back of these instructions. This description should be single-spaced and should not exceed one page. The **Project Abstract** should be page 3 of the application.

## TELEMEDICINE NETWORK IDENTIFICATION

Provide the following information about the proposed network, using the Telemedicine Network Template provided at the end of these Supplemental Instructions.

First, provide the name of the telemedicine network, and the name and address of the applicant. Check whether it is a new or an existing telemedicine network. Check whether the application meets any of the legislative preferences (see *Program Guide* – page 12).

Provide the following information in the columns:

Column One
- enter the name of each network member, provide an address, phone and fax #'s, contact name and e-mail address, and the URL address for the member if available. List members in the following order: applicant entity, multi-specialty entity(ies), the two required spoke entities, other spoke entities to receive OAT funding, and other members of the network. Identify the status of each site; that is, whether the member is: a telemedicine site to be added in the grant's 01 year, 02 year, or 03 year with OAT funding; an existing telemedicine site which is to receive OAT funding; or an existing site that will not be supported with OAT funding;

- identify with a double asterisk (\*\*) which network members are being designated as the **required** telemedicine network facilities for this grant program. The network is required, by statute, to include a multi-specialty entity and at least two rural health facilities which could include rural hospitals [less than 100 staffed beds], rural physician offices, rural health clinics, rural community health centers, and rural nursing homes.

- identify with an (x) if a network member meets a legislative preference and if it does, which preference it meets (i.e., 'a', 'b', 'c', or 'd').

Column Two:

- state the type of facility the member is (e.g., multi-specialty entity, rural hospital, rural spoke hospital, rural physician office, rural health clinic, rural community health center, rural nursing home, rural public health clinic or department, health professions school, community mental health center, nursing home, elementary or high school) and provide a brief description. [Example: multi-specialty entity-a 200-bed regional referral hospital with 100 physicians on staff; a 70-bed rural hospital with an adjoining nursing home that provides consults to outlying clinics and obtains consults from Tertiary Hospital X).

Column Three:
- name the county in which the network member is located and give the county population.

Column Four:
- indicate whether the county is a metropolitan statistical area (MSA) or a non-metropolitan statistical area (non-MSA).  A list of non-MSA/rural counties is enclosed. Some MSA counties, because of their size, have areas that are designated as rural under the Goldsmith Modification. Facilities located in such areas are eligible to serve as spoke sites.  If a facility is located in one of the rural census tracts of such an MSA county, provide both the census tract number and the county name in this column.  The enclosed "Rural Counties by State" list also includes the names of the metropolitan counties in which there are eligible rural census tracts and it gives the census tract number of each of these eligible tracts.  If you do not know your census tract number, a list of Census Bureau Regional Offices is included in this kit.  Call the Census Bureau Regional Office nearest you for assistance.  The list of non-MSA/rural counties, including the list of MSA counties with eligible rural census tracts, is also available on the Web at: http://www.nal.usda.gov/orhp/rurcties.htm


    Note whether the county is a Health Professional Shortage Area (HPSA), a partial HPSA (p-HPSA), and/or a Medically Underserved Area (MUA), or a partial MUA (p-MUA).  Also, indicate if the county is a mental health or dental HPSA.  To verify a county's status,         check the Web site that lists federally-designated HPSAs or contact your State Office of        Rural Health (SORH).  Web site: http://www.bphc.hrsa.gov/databases/hpsa/hpsa.cfm
    A list of SORHs is included in this application kit.  It is also available on the Web at: http://www.nal.usda.gov/orhp/50sorh.htm


Column Five:
- describe the type of technology, including the telemedicine medical peripherals, available or to be made available at each site. If known, give the model name/number. Indicate whether the equipment is used for interactive video consults, store-and-forward consults, or both.

Column Six:
- list the transmission capabilities of the site (e.g., full T1 leased, ISDN at 128 kbps).

Column Seven:
- for each site, list the telemedicine clinical services to be made available with OAT funding and the grant year they will be available; if the member is an existing site, list the services currently available in parentheses and then list any services that will be made available with OAT funding and the grant year they will be available.

## LIST OF OTHER FEDERAL FUNDING SOURCES

The applicant should list and describe: 1) all Federal grants it is currently receiving that fund telemedicine activities; 2) all other Federal grant applications it has submitted or is preparing to submit that would support all or part of this project; 3) all grants in which other network members are recipients of Federal funds for telemedicine activities; and 4) all applications that have been submitted or are being prepared for submission by other network members.

For each Federal grant involved, the following information should be provided, using a separate paragraph for each grant:  the name of the Federal agency, the name of the grant program, the applicant's name, the dollar amount requested or awarded, the sites/communities to be funded, the equipment to be purchased with Federal funds, and key activities.

**It is the responsibility of the applicant to obtain information from the network members regarding Federal funding any member currently receives or has applied to receive.**


### SUPPLEMENT TO INSTRUCTIONS FOR COMPLETING BUDGET INFORMATION - Non-Construction Programs
### Standard Form (SF) 424A, (Revised 7/97)

Standard Form (SF) 424A, "Budget Information--Non-Construction Programs", is a double-sided form composed of Sections A through F.  Because the SF Form 424A is a generic form that was designed to be used by agencies across the Federal government, the instructions have been adapted for use by the Office for the Advancement of Telehealth.  In addition, because this form doesn't capture the information that is required by the Rural Telemedicine Grant program, two additional budget forms are provided that must be used when completing the "narrative budget justification" section of the application.  These forms are provided at the end of these *Supplemental Instructions* and explained on page 12.

Applicants are reminded that the budget and narrative budget justification are used to verify compliance with the requirements of the grant program and they help reviewers determine whether the proposed project is consistent with the goals and objectives of the grant program. Thus, each of the review criteria noted in the Program Guide should be either addressed in the Narrative Budget Justification or in the Program Narrative.  Reviewers will carefully examine all budget materials to assess whether the proposed budget is appropriate for the activities and tasks proposed in the Program Narrative.

Applicants are requested to include sufficient dollars to travel up to three people to the Washington, D.C. area for a three and one-half day grantees meeting in the fall of 2000.

**A sample SF-424A is provided at the end of this Supplement.**


**Section A, Budget Summary**

*Lines 1-4, Columns (a) through (g)*

Budget information should be entered for each site of the telemedicine network by entering each site as a separate function in column (a).

**Column (a):**

**Line (row) 1:  Enter the name of the** multi-specialty entity.  (If there are additional multi-specialty entities, list them before listing the rural facilities).

**Line (row) 2:  Enter the name of the** first of the two required rural facilities (i.e., if there is only one multi-specialty entity.  Otherwise enter the name of the second multi-specialty entity before entering the names of the rural facilities).

**Line (row) 3** should be the second of the two required rural facilities (i.e., if there is only one multi-specialty entity).

**Line (row) 4 and additional lines:**  Additional facilities should begin on **line 4** and be continued on additional pages as necessary.  (If there are more than four facilities, number the 4$^{th}$ facility as 4a, and on an additional page(s), continue entering the names of the other facilities, numbering them as 4b, 4c, 4d, etc.)

**Column (b):**

**Line (row) 1**  should read: 93.211

**Columns (c) and (d):**

Do not enter anything in columns (c) or (d) -- they do not apply to new applications.

**Column (e):**

For each site, enter the program costs (direct and indirect) requested under this Federal grant program for the project's first year.

**Column (f):**

For each site, enter the amount of funds needed to support the project for the first year of the project from all non-Federal sources.  This includes contributions from the applicant, other network members, state and local governments, and private industry.  These amounts should reflect both actual dollars and in-kind services.

Applicants who are receiving funds (grant, cooperative agreement or contract) from other Federal agencies which support components of this project, should count those dollars as applicant dollars in this section.

**Column (g**): Enter the total of columns (e) and (f) for each facility listed.

*Line 5 (totals):  Columns (e) through (g)*

If there are only 3 or 4 facilities, enter the total of columns (e), (f), and (g) in 'Line 5'.  If there are more than 4 facilities, and thus more front budget pages, **fill out 'Line 5' only on the page where the final facility is entered**.  Draw a line through 'Line 5' on the front page(s) that don't include the final facility.

**Section B, Budget Categories**

Each column in Section B corresponds directly to the rows in Section A.  For example, under Section A, row (line) 1 is the multi-specialty entity.  Under Section B, column 1 is the multi-specialty entity; column 2 is the first required rural facility, etc.  [If you have more than four facilities, you will need to use additional sheets.]  Thus, the amounts entered in Column 1, by object class category or row, are the funds (both Federal and non-Federal) that are needed to support the project at the multi-specialty entity for the first year.  The amounts entered in Column 2, by row, are the funds (Federal and non-Federal) needed to support the project at the "first required rural site" for the first year.  These should

be the <u>direct</u> charges only.  Indirect charges should be entered in line '6j'.  Each column should be filled out for the remaining sites.

Indirect Charges (Line 6.j.) are those costs incurred by an organization that are not readily identifiable with a particular project or program, but are nevertheless necessary to the operation of the organization and the performance of its programs.  Indirect costs will be allowed **only** if the grantee has a federally-negotiated indirect cost rate with a cognizant Federal agency.  To substantiate the rate, the applicant must submit a copy of the most recent agreement and the agreement must contain a "services" or "all other programs" rate or the intention to negotiate such a rate with the responsible individuals in a timely manner**.  A rate negotiated for research programs is not acceptable.**  If the grantee does not have a negotiated indirect cost rate, they should contact the grants management officer identified in this program announcement for information on a contact point to assist in the development of such a rate.

In row (line) 7, indicate any program income, including revenues generated from billing for telemedicine services, from the use of the system to provide educational programs not supported by the grant, from revenues generated from rental of the system to community members for meetings, etc.

## Section C, Non-Federal Resources

In Section C, each row (line) in Section C corresponds directly to the rows (lines) in Section A.  That is, each facility listed on a line in Section A should be listed in the same order in Section C.  For each facility provide the amount of non-Federal resources (cash and/or in-kind) that will be contributed by: the 'facility' (column b), the 'state' (column c) and 'other sources' -- e.g., vendors, telecommunication companies (column d).  The sum of these for each facility should be entered in column e.  If the contribution is in-kind rather than cash, provide a brief explanation in the "explanatory narrative budget justification" component.  Any Federal funds received by the applicant or a network member should be considered as applicant dollars in this section.

As in Section A, if there are more than 4 facilities, the 4$^{th}$ facility should be numbered 11a, and the additional facilities entered on another page(s) as 11b, 11c, 11d, etc.

The amount in 'Section C, Line 12, column e' should be the same amount as the amount in 'Section A, Line 5, column f'.   If there are more than 4 facilities, draw a line through 'Line 12–totals' and only fill out 'Line 12-totals' on the page where the final facility is listed.

## Section D, Forecasted Cash Needs

This section does not apply to the Rural Telemedicine Grant Program.  Leave this section blank.

## Section E, Budget Estimates of Federal Funds Needed for Balance of the Project   Each row (line) in Section E should correspond to the sites as they are entered in Section A.  Include any additional sites that may not be funded in year 1 but are planned for years two or three.  To the extent possible, a breakdown by site should be provided.  Column (b) is for the second year of the grant (<u>the first future year</u>).  Column (c) is for the third year of the grant (<u>the second future year</u>).  **Do not** enter anything in columns (d) or (e).

**Section F, Other Budget Information -- Narrative Budget Justification**

**Line 21, Direct Charges: (See page 23 of *PHS Grant Application-Form PHS-5161-1* for additional information on the "Budget Narrative/Narrative Budget Justification").**

The Narrative Budget Justification section consists of three components: Two budget forms (provided at the end of these Supplemental Instructions) and an "explanatory narrative budget justification" component that should come after the budget forms and provide additional detail. OAT provides the two budget forms because SF Form 424A does not allow one to distinguish between Federal and non-Federal dollars, a requirement of the Rural Telemedicine Grant program.

The format of these two budget forms <u>must</u> be followed. An applicant may download the forms from the OAT Web site or may retype the forms, following the exact format. (The sample forms provided generally will not have sufficient room to enter all the required information.) The specific budget items listed under each 'object class category' will differ by project. However, some budget items that will be common across all projects are provided, with additional detail given on how the information should be presented.
The OAT Web site is: <u>http://telehealth.hrsa.gov</u>

<u>Completing the "Detailed Budget Form":</u>

Use the "Detailed Budget Form", to provide a detailed break-out of how the funds requested in each Object Class Category (Section B of Budget Form 424A) are to be spent. The form allows you to distinguish for each budget item within each object class category, the Federal OAT request from the non-Federal contribution. Fill the form out as follows:

OBJECT CLASS CATEGORIES:
Personnel: Enter the names of personnel at the hub and spoke sites, in addition to the other information noted on the form, under the personnel category, and in the 'Explanatory Narrative Budget Justification' component, note if the spoke site personnel dollars are contractual dollars.

Travel: Break-out by sites and provide additional explanatory information in the 'Explanatory Narrative Budget Justification' component.

Equipment: In each line, first enter the name of the site at which the equipment will be placed and then enter the type of equipment.

Supplies: List supplies by site.

Contractual: Enter clinician incentive payments here, by site.

Other: Transmission Costs - enter transmission costs, broken out by site.
       Equipment Installation – enter equipment installation costs, broken out by site.


FEDERAL OAT SECTION/COLUMN
In the **Federal Column** enter the amount of funding (direct charges only) being requested from OAT. Indirect charges are entered at the end of the form.

NON-FEDERAL SECTION/COLUMNs
In the non-Federal columns, under the appropriate column, indicate the monetary and/or in-kind contribution by applicant/hub, spoke site, State, or 'other'.

**Indicating past or current Federal support in the non-Federal contribution columns**:
When filling out the 424A budget form, equipment previously purchased with Federal funds (including OAT funds), and personnel supported within the budget year with funds from a Federal agency other than OAT, are counted as applicant dollars.  On this "Detailed Budget" form, an asterisk (*) should be used to indicate that the Federal government was or is the source of funds for the item or individual, per the following instructions:

- If a personnel contribution of an applicant/hub or spoke site is financed with dollars from a Federal source other than OAT, put an asterisk behind that amount.
- If the equipment item was previously purchased with Federal funds (including OAT funds), or will be purchased within the budget year with Federal funds (other than OAT funds), show it as an applicant/hub or spoke site contribution.  Put an asterisk behind the amount to indicate that the original source of funds was/is the Federal government.
- Complete the other 'object class categories', in similar fashion, noting any other 'applicant' contributions originally funded with Federal funds or that will be funded with Federal funds during the budget year.

Completing the Federal/non-Federal Summary of Expenditures Form:
Use the second form, the "Summary of Expenditures Form", to provide a to provide a Federal/non-Federal summary of expenditures by site and by object class category.  Note that indirect charges are calculated at the end of the form.

Explanatory Narrative Budget Justification
Provide the following information in the 'Explanatory Narrative Budget Justification' component. The 'Explanatory Narrative Budget Justification' component must not exceed eight pages.

| | |
|---|---|
| **Personnel** | Briefly describe the role and responsibilities of each position.  In the appropriate section, include a **biographical sketch of no more than two pages.** |
| **Fringe Benefits** | List all components of the fringe benefit rate. |
| **Equipment** | List equipment and related software, briefly describing the specific function of the equipment for the project. NOTE:  Equipment and installation may not exceed 40% of the total Federal funds requested for each year of the project period. In the equipment category, only equipment expenditures may be listed.  **Include the  personnel costs for equipment installation in the "other" category and clearly identify them as such.** |
| **Supplies** | Generally self-explanatory; describe need if not. |
| **Travel** | Explain need for travel, noting OAT mandated travel. |

**Contractual Costs**    Explain the need for each contractual arrangement and how it relates to the project.

If the applicant will be providing compensation payments to clinicians for using the system, these should be included here. As noted in the Program Guide, the maximum amount of payment per referring or consulting clinician (e.g., physician, nurse, social worker, speech therapist, etc.) per session/encounter is $75 at each site. **The applicant must show how it calculated the amount of the payment for each type of service provided and these payments must be reasonable and consistent with that paid for similar work in the organization's other activities**.

Note the restrictions on compensation payments to practitioners in the Program Guide Section on "Use of Grant Dollars".

**Other**    Include transmissions costs here.

**Include the personnel costs for equipment installation here and clearly identify them as such.** In your explanatory narrative for this section, show that the amount for equipment and the amount for equipment installation does not exceed the 40% cap for equipment purchase, lease and installation.

An applicant must also demonstrate that fifty percent (50%) or more of the grant funds will be spent for: transmission costs and practitioner compensation payments; costs incurred in rural areas such as salaries and equipment maintenance; and equipment placed in rural areas, irrespective of where the equipment was purchased.

The justifications for equipment and indirect costs should indicate that the use of Federal grant dollars conforms with the requirements of the grant program. Details about the sources and uses of cost participation, as outlined in Section C (page 11 of these *Supplemental Instructions*), should be provided.

Also provide a breakdown by object class category for years 2 and 3. Explain any major changes (i.e., increases or decreases) in the amount or allocation of grant dollars requested from one year to the next.

**Line 22 – Indirect Charges**: Enter the type of indirect rate (provisional, predetermined, final or fixed) that will be in effect during the funding period, the estimated amount of the base to which the rate is applied and the total indirect expense. Please note that for this grant program only a federally-negotiated indirect "services" or "all other programs" rate is permissible. A rate negotiated for "research" cannot be used.

**Line 23, Remarks:** Leave blank. Remarks should be included in the **Narrative Budget Justification.**

**SUPPLEMENT TO THE INSTRUCTIONS FOR THE PROGRAM NARRATIVE**
**Pages 21-23, - *PHS Grant Application Form PHS-5161-1***

Instructions for writing the Program Narrative are found on pages 21-23 of *PHS Grant Application – Form PHS-5161-1*. However, because many Federal programs use this application form, the Program Narrative instructions are very general. The following instructions amend the instructions on pages 21-23 and should be followed when developing the Program Narrative. These instructions note the specific section (i.e., project description, results and benefits, approach, evaluation or geographic location) of the Program Narrative that is to be amended either by replacing a paragraph(s) within the section or by providing additional information for the section.

Before writing the Program Narrative, the applicant should study the review criteria noted in the *Program Guide*. Each of the criteria should be addressed in either the narrative budget justification or this program narrative.

**1. PROJECT DESCRIPTION (Page 21)**

**Replace the second paragraph with the following and organize your narrative using the subheadings used below:**

**Problem/Need:** This part of the narrative should clearly describe the problem(s) or need(s) the proposed project seeks to remedy. It should document the need and demand for telemedicine services, particularly in terms of:

- the rural populations and rural areas to be served (include general demographic and health status information on the population in the service area, the size of the geographic area to be served, and how many full and partial Health Professional Shortage Areas [HPSAs] and full and partial Medically Underserved Areas [MSAs] the service area contains, including mental health and/or dental HPSAs);
- the health services available in the rural communities and those that are lacking (e.g., physician specialty services, rehabilitation services, mental health services, home care services, dental services, nursing services, etc.). Include information on the services that are available from visiting specialists.
- barriers to accessing the clinical services indicated as needed (include the travel time to the nearest source of these services);
- the number of health and mental health practitioners in the rural communities and their workload; rural clinician recruitment and retention issues; and rural clinician information needs; and
- the referral patterns of the rural providers and practitioners, and the volume of referrals to out-of-community providers and/or current volume of services provided by visiting practitioners.

The applicant should use data that is no more than five years old, whenever possible.

**Goals and Objectives:** After identifying the problems/needs, an applicant should then identify the goal(s) and objectives of its project. These objectives should be based on the identified needs. They should be achievable, measurable, time-limited and clearly stated. The project objectives should be capable of achieving the objectives of this grant program (see *the Program Guide* – page 1).

**Rural Community Involvement:** The applicant should describe how the rural communities were involved in defining the needs to be addressed and establishing project objectives.

**Delete the third paragraph**.

**OAT Support:  Add the following to the fourth paragraph:**  Describe why OAT support is essential to implementing the proposed project and what Federal dollars will enable you to do that you otherwise would not be able to do.  Note whether the project addresses any of the OAT programmatic interests (see pages 11-12 of the *Program Guide*). If applicable, describe the relationship of the project to the achievement of the Healthy People 2010 objectives.

**2. RESULTS OR BENEFITS EXPECTED (Page 21)**

**Replace the paragraph with the following:**

**Outcomes/Results by Objective:**  In this section, for each of the objectives identified under the project description, the applicant should describe the outcome(s)/results expected for the objective using quantitative measures.

**General Benefits:**  In this section the applicant should also provide a general discussion of how the proposed project will benefit the population(s) to be served, the practitioners who will use the system, and the network members.  This should include a discussion of any adverse consequences that might result from implementing a telemedicine network.

The following information should be covered in the above two subheadings:  the range of activities for which the telemedicine system will be used (both clinical and non-clinical); the estimated numbers of consultations and other activities to be conducted over the network per week and average hours of usage per day; expected changes in health care utilization; effect on rural health practitioner practices; and anticipated costs and savings from using the telemedicine system.

**3. APPROACH: (Page 21 - 22)**

**Replace paragraphs (a), (b), (c), and (d) with the following and organize your narrative using the subheadings used below:**

In this section the applicant should present a plan of action that describes how the proposed work will be accomplished.  When developing this section, the applicant should show how the proposed activities relate to the project objectives -- i.e., the proposed activities should lead to the achievement of the stated objectives.

**Network members/sites and network organization:  An ap**plicant should describe its approach to developing a telemedicine network or expanding an existing telemedicine network.  This includes identifying:

- each member of the telemedicine network and its role in the network;
- the resources (monetary, in-kind, expertise, etc.) each member brings to the project;

- the nature of the relationship(s between and among the members (e.g., contractual, MOA, etc.);
- the steps to be taken to develop an organizational/governance structure for the network;
- the relationship of the telemedicine network project to the grantee organization's overall strategic and business plan;
- other activities in which network members are engaged that promote the development of an integrated health care system; and

- the relationship, if any, of the proposed network to the state's Rural Hospital Flexibility Grant Program activities.

**Clinician Involvement**:  An applicant should describe 1) how clinicians have been and/or will be involved in defining needs, prioritizing services to be delivered using telemedicine, and selecting equipment; 2) how clinicians, site coordinators and other key individuals will be oriented to the project and trained to use the equipment; and 3) how clinician champions will be identified and utilized within the project.

**Telemedicine Session Structure:**  An applicant should discuss how structures for providing telemedicine sessions/encounters will be developed (i.e., how services will be provided on a 24-hour-a-day/7 days a week basis; whether regular "telemedicine clinics" will be established; how telemedicine sessions will be scheduled, etc.).  If a service will not be available 24 hours a day, 7 days a week, the rationale for not providing it on a 24x7 basis should be provided.

**Project Management and Work Plan**:  An applicant should describe the plan for managing the project.  In specifying staffing for the project, provide a short description of the nature of key individuals contributions and note the amount of time each staff person will devote to the project. Identify who, in a leadership position in the applicant organization, will be involved in the project and what his/her specific role and time commitment will be.  OAT encourages projects to employ a full-time project manager and to use Federal dollars to financially support rural spoke site coordinators.

Include a work plan that describes the activities that will take place **at each site**, provides a time frame for accomplishing the activities, and identifies the individual(s) responsible for each activity. This work plan should be in the form of a chart, with additional narrative clarification where needed.

**Telemedicine Equipment and Transmission Modes**: In the Telemedicine Network Identification template, the equipment and transmission modality to be used at each site should be listed.  In this section the applicant should briefly describe the technologies (hardware, software and transmission) it will use in the network and then discuss in more depth the rationale for selecting the particular technologies (i.e., how the chosen technology relates to the health needs to be addressed, the proposed uses - both clinical and non-clinical, the support and information needs of the rural practitioners, and sustainability of the telemedicine network).  For example, a project might select a more expensive technology with higher transmission costs because it proposes to address a broad range of needs (both clinical and non-clinical) and has recruited a wide range of community users to sustain the system.  A project might propose a less-costly technology with lower transmission costs to serve more specific health needs and be sustainable with a more limited range of users.  Or, a project might propose a combination of such technologies.

The applicant should note whether the transmission capabilities needed for the application (e.g., T1 lines, fractional T1 service, ISDN, dial-up service, etc.) are available at the site or when they are to become available.  Also note whether the technology chosen will allow the proposed network to link to other telemedicine systems (i.e., whether it is based upon open-architecture and uses industry standards or whether it uses "proprietary" standards).  Discuss whether the telemedicine system interfaces with health information systems used by the network or its members.  Describe how network members will be electronically linked and how patient confidentiality will be maintained over the telemedicine network.

**Sustainability:**  Discuss how the telemedicine network will be continued after Federal support ends.  Describe the problems to be overcome and issues to be addressed in order to continue the telemedicine system, and the specific activities to be undertaken to do so.  Include the nature and sources of income or other funding streams to be developed.  An existing program should note what,

if any, third party reimbursement it receives for telemedicine sessions/encounters, contracts it has to provide telemedicine services, and actions it has taken to pursue reimbursement or other income. Note: applicants whose proposals are funded will be required to submit a very detailed business plan as part of its Year 2 non-competing continuation proposal. Past grantees have found that considerable time is required for state and national telemedicine-related activities (e.g., working on obtaining reimbursement) and applicants are encouraged to factor this into their personnel requests and time allocations.

**Marketing**: Discuss how the program will be marketed or promoted, on an ongoing basis, to rural health professionals and community members, and to consulting professionals.

**Dissemination:** Include a description of the methods that will be used to disseminate information about the project and "lessons learned" to other communities. The description should be as specific as possible and should correlate with the funds requested in the budget.

**Existing Network Experience**: If the applicant is an existing network, it should provide the following information: The number of facilities in the existing network; the name of each facility in the network and community in which located; the date each site began providing services; and the number of consults, by specialty, provided by the network between January 1, 1999 and December 31, 1999. The applicant should discuss lessons learned in implementing and sustaining the program, and findings from evaluation efforts. If protocols have been developed for clinical telemedicine services, they should be included in the appendices. The applicant should note if it received outside support to implement the network (i.e., Federal, State, or foundation) and if so, the source of the award, the amount from each source and the years funded. If the network received Federal telemedicine funding within the past five years, it should discuss any grant conditions/restrictions put on the project by the funding agency.

**4. EVALUATION (Page 22)**
**Replace all paragraphs with the following:**

In this section, an applicant should discuss how it will 1) evaluate the outcomes/results of the project, and 2) evaluate the conduct of the project. The evaluation should enable the grantee to determine whether the project objectives are being met and help the grantee better manage the project.

An applicant should describe its plan for evaluating whether the project objectives and expected outcomes/results are being achieved. This should include a discussion of the types of data to be collected, and how the data will be collected and analyzed. At a minimum, applicants should collect the following types of telemedicine network data and information: costs (start-up and operating) at each site, utilization (for each type of service/activity), patient and practitioner satisfaction, and organizational factors affecting network development. In addition to user (practitioner) satisfaction, an applicant should identify methods to evaluate reasons why some practitioners never use the technology.

With respect to the conduct of the project, the applicant should define the procedures it will employ to determine whether the program is being conducted in a manner consistent with the work plan presented.

An applicant should describe its prior experience participating in evaluations and the resources it will commit to evaluation activities.

**5. GEOGRAPHIC LOCATION (Page 22)** (Do not count as part of the 35 page limit.)

**Replace the paragraph with the following:**

An applicant should include maps that show 1) the service area of the telemedicine network in relation to the state(s) in which it is located; 2) the location of each network member and the distances between members; and 3) other health care facilities in the service area that are not part of the telemedicine network.  If any of these facilities have telemedicine capabilities, this should be indicated.

These maps are an important component of the application and attention should be given to making sure they are complete.  The maps should be provided as black and white maps and should be suitable for copying.

**6. ADDITIONAL INFORMATION (Page 22-23):**  (Do not count as part of the 35 page limit.)

**(a) Staff and Job Position Data (Page 22)** - **Replace all paragraphs in this section with the following:**

Applicants should include biographical sketches of key personnel assigned to the project, including key personnel at rural telemedicine network sites.  **BIOGRAPHICAL SKETCHES SHOULD BE NO LONGER THAN TWO PAGES**.  They should indicate the role of the person in the project and highlight the qualifications (including education and past experience) that the person has to carry out that role.  **DO NOT SUBMIT FULL CURRICULUM VITAE.**

If persons are to be hired to fill positions, include job descriptions that give the title of the position, describe the duties and responsibilities, list the qualifications a person must have, note the supervisory relationships, and indicate a salary range.

**(b) Other Information (Page 23) - Replace the paragraph with the following:**

Include supporting documents as **appendices**.  Supporting documents should include documents such as: 1) assurances that the proposed telemedicine services will be available 24-hours-a-day to the rural area(s) served by the telemedicine network; 2) signed, dated memorandum(s) of agreement among the telemedicine network members; and 3) assurances, signed by rural health professionals, indicating a desire to use the system.  Relevant letters of support should also be included in this section (standard form letters are generally not given much weight by reviewers).

## CHECKLIST

The checklist should be the last two pages of the application.

## <u>SAMPLE</u> TABLE OF CONTENTS